

**LICENSES AND CONSUMER SERVICES
LICENSE INSPECTOR'S REPORT**

License Number: L190 50151 **Police File Number:** 13251

Date of Application: April 18, 2012

Inspector: Craig Eliason

Applicant/Legal Entity: Empire Entertainment, LLC

DBA/Trade Name: The Pourhouse

Complete Address: 10 5th Street South

License Requested: On-Sale Liquor with Sunday Sales, Class B
Sidewalk Café
Tobacco

Responsible person within 75 miles of Minneapolis City Hall: Jacob Toledo

Public Hearing Requirement: Required

License Conditions: None

Neighborhood/Ward: Downtown West / 7

Zoning: B4-2 This is a permitted use in the Downtown Business District.

7 acre requirement: N/A

Off- Street Parking: No parking requirement

Churches or schools within 300 feet of the proposed premises: N/A

Seating: Inside: 80 Outside: 38

Fire Occupancy: Inside: 1,074 Maximum Outside Capacity: 156

Food Service Requirement: The applicant will operate as a full service restaurant.

Hours of operation: Inside: 11:00 AM-2:30 AM Monday-Friday
10:00 AM-2:30 AM Saturday and Sunday
Outside: Same

Metropolitan Council Service Availability Charges: Paid 6 units.

HISTORY OF LOCATION

This location previously housed Club Spin/Club Cream from 2005-2011, which held an on-sale liquor class A license.

APPLICANT

The applicant is Empire Entertainment, LLC, a Minnesota corporation formed on February 14, 2012 under Chapter 322B (File Number 470869900028), having the required restriction on the transfer of stock and having the following shareholders and officers:

| <u>Name</u> | <u>Title</u> | <u>Shares</u> |
|----------------------|-------------------------|---------------|
| DE3, LLC | Owner | 45% |
| DPJE, LLC | Owner | 45% |
| Jester Concepts, LLC | Owner | 10% |
| Brent Frederick | Chief Manager/President | 0% |
| Deepak Nath | Treasurer | 0% |
| Jay Ettinger | Secretary | 0% |

The shareholders and officers of DE3, LLC are as follows:

| <u>Name</u> | <u>Title</u> | <u>Shares</u> |
|-------------|---------------|---------------|
| Deepak Nath | Chief Manager | 50% |
| Sara Nath | Member | 50% |

The sole member of DPJE, LLC is Jay Ettinger.

The shareholders and officers of Jester Concepts, LLC are as follows:

| <u>Name</u> | <u>Title</u> | <u>Shares</u> |
|-----------------|------------------------|---------------|
| Brent Frederick | President/CEO | 50% |
| Jacob Toledo | VP/Secretary/Treasurer | 50% |

MANAGER

The manager of The Pourhouse will be Jacob Toledo. Mr. Toledo has worked in the alcohol service industry since 2001 and has passed the criminal background check.

POLICE REVIEW

Police Licensing and this inspector have reviewed the expenses and source of funds reported in this application. The applicant has provided documentation showing adequate legal and traceable funding for this venture and has passed the criminal background check. The applicant has also undergone a security review with the First Precinct of the Minneapolis Police Department.

PREMISES

The licensed premises will consist of the same physical space licensed to and operated as the previous licensee, Club Spin/Club Cream. The applicant also intends to operate an outdoor patio located on private property. The space contains approximately 12,370 square feet on the 1st and 2nd floors of the Lumber Exchange Building, located at 10 5th Street South. There is seating for approximately 80 people on the 1st and 2nd floors at tables and chairs and in booths. There are also bars on the 1st floor and 2nd floors. The outdoor patio will provide 38 seats for patrons at tables and chairs. The maximum occupant load of the establishment is 1,074 persons. The maximum occupancy of the outdoor area is 156 persons. A sidewalk café containing no seating will also be offered. The lease shows exclusive use of premises by applicant. The licensed premises space is compact and contiguous.

BUSINESS PLAN/OPERATIONS

The applicant indicates that The Pourhouse will be open 11:00 AM-2:30 AM Monday-Friday and 10:00 AM-2:30 AM Saturday and Sunday, with all alcohol service ceasing no later than 2:00 AM. The outdoor patio will be operated seasonally, weather permitting, with the same operating hours. The sidewalk café hours are also the same. The restaurant will serve a variety of appetizers, sandwiches, burgers, entrees and beverages. The applicant is applying for a Class B license, which allows entertainment in the form of live music and singing without limitation as to the number of musicians, singers, or the type of amplification. Entertainment offered at The Pourhouse will be directed toward a wide age range, those 21 to 60 years old who love music and sports. No 16+ events will be held. Dancing and singing by patrons and a disc jockey are permitted. The applicant indicates it plans to offer a large projection screen television as well as numerous televisions throughout the premises. Live music, a disc jockey and comedy shows will also be provided. Electronically prerecorded background music will also be provided at various times. The outdoor patio will also offer prerecorded music at a low, background level not to disrupt other businesses or residents. All employees will be required to undergo alcohol compliance training annually offered by Alcohol Compliance Services. Guests will be carded at the point of entry after 9:00 PM and will be required to show proper identification to gain entrance if they appear to be under 40 years of age in the judgment of security personnel. The applicant's business plan indicates that it will regularly monitor noise generated from the outdoor patio and sidewalk café. The applicant intends to employ several noise mitigating measures for the outdoor patio, including orientation of the speakers, posting signs asking customers to exit quietly, training employees to address loud or unruly behavior and the importance of minimizing unwanted noise. All noise related complaints will be handled by the general manager or assistant manager. To ensure that noise is minimized the applicant will utilize the City of Minneapolis Environmental Services Division to ensure that noise issues will be kept to a minimum. At the present time the applicant has no intent to sponsor competitive sports teams. The applicant may offer charitable gambling in the form of pull tabs operated by a local charity.

PUBLIC HEARING SUMMARY

Seventeen notices were mailed to property owners and residents within 300 feet of the main door of the establishment on May 1, 2012. The public hearing is scheduled before the Regulatory, Energy & Environment Committee on May 14, 2012 at 1:30 PM in Room 317 City Hall.

RECOMMENDATION

Business Licenses recommends approving this application for an On-Sale Liquor with Sunday Sales, Class B License.

LICENSE CONDITIONS

There are no license conditions being placed on this license at this time.